

## 22 Other non - current liabilities:

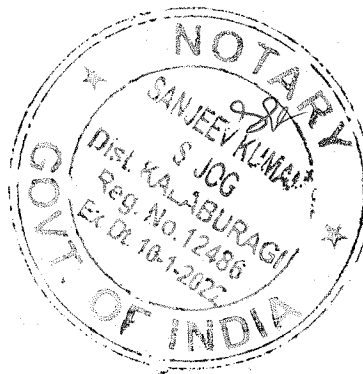
Rs. In Lakhs

(a) Deposit Contribution Work	9,701.17	8,030.54
(b) Other payables*	1,515.38	1,515.38
	<b>11,216.55</b>	<b>9,545.92</b>

\*Other payables pertains to the unreconciled amount of following heads on date of unbundling of ESCOMs. The Company is in process of reconciling the same and to make necessary adjustments after approval of the board of directors and government.

Acc Code	Description	Rs. In Lakhs Amount
14.35	CWIP - Bhagyajyoti Scheme - 11 KV	35.62
14.351	CWIP - Bhagyajyoti Meter Fixing Scheme - 11 KV	256.85
14.36	CWIP - Kuteera Jyoti Schemes - 11 KV	365.90
14.361	CWIP - Kuteera Jyoti Meter Fixing Schemes - 11 KV	37.14
46.206	Payable to GOK-BRP-II arrears recovered for consumers. State Govt. Installations.	60.48
46.207	BRP Adjustment recovered from IP Consumers payable to GOK	18.57
46.981	Electricity dues of Gram Panchayats released by Department of Energy, Government of Karnataka to ESCOMs through KPTCL and accounted as payable to ESCOMs in KPTCL Accounts.	596.96
28.816	Amount recoverable from Government wards Bhagya Jyothi works	227.24
37.303	IUA - BJ/KJ balances clearance - BRP	0.25
37.304	IUA - Permanently disconnected Installations - Balance Clearance - BRP	9.56
37.308	IUA - BRP Clearance amount returned - Permanently Diss. Instns	122.32
37.823	BRP - II Write off	17.72
24.11	Cash on Hand	(20.50)
24.303	Non Operative - SBI	(73.12)
28.815	Receivables from MESCOM towards advances paid to suppliers prior to 1.6.2002 in respect of Purchase Orders placed by the then Office of CEE, MW (South)	(110.73)
37.311	IUA - IP set principal collection(interest waiver scheme 2001)	(10.12)
	Previous balance in net-worth adjustment account (Debit balance)	(18.75)
	<b>Total</b>	<b>1,515.38</b>

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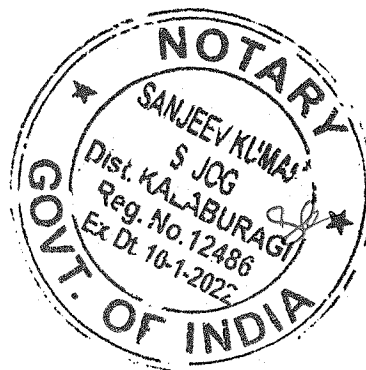


GULBARGA ELECTRICITY SUPPLY COMPANY LIMITED  
(CIN NO. - U04010KA2002SGC030436)  
Registered office at Station Road, Gulbarga, Karnataka - 585 102  
NOTES TO FINANCIAL STATEMENTS

Particulars	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
<b>Current Liabilities</b>		
<b>23 Borrowings:</b>		
<b>1) Secured loans:</b>		
a) Loans repayable on demand		
- from banks	8,489.41	9,350.96
- from others		
<b>Total</b>	<b>8,489.41</b>	<b>9,350.96</b>
<b>1) Details of security for secured loans:</b>		
a) Loan from Banks:		
(Secured by Charge on Receivables from Consumers)	8,489.41	9,350.96

The carrying amounts of property, plant and equipment pledged as security for borrowings are disclosed in note 3.

  
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**NOTES TO FINANCIAL STATEMENTS**

Particulars	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
<b>Current Liabilities</b>		
<b>24 Trade payables:</b>		
a) Total outstanding dues of micro and small enterprises		
b) Total outstanding dues other than micro and small enterprises	3,21,652.32	3,92,206.32
c) To related parties	1,06,463.06	80,709.82
<b>Total Trade payable</b>	<b>4,28,115.38</b>	<b>4,72,916.14</b>

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 60 to 90 day terms  
For explanations on the Company's credit risk management processes, refer note 46

**Additional Information:**

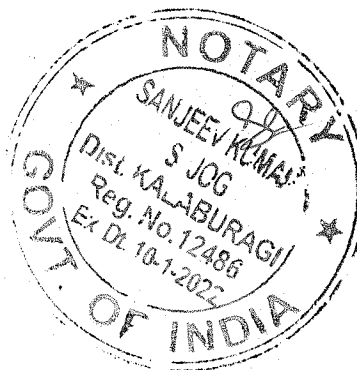
1	Trade Payables for Purchase of Power	2,61,954.95	3,25,091.94
2	Other Liability for Outstanding Expenses	59,697.37	67,114.38
3	Payable to Associates - KPTCL/PCKL/other ESCOMs	1,06,463.06	80,709.82
		<b>4,28,115.38</b>	<b>4,72,916.14</b>

**Details of dues to Micro and small as defined under MSMED Act, 2006**

(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	Nil	Nil
Interest due on above	Nil	Nil
(ii) The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006.		
The amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	Nil	Nil
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	Nil	Nil

In the view of the management, the impact of interest, if any, that may be payable in accordance with provisions of this Act is not expected to be material. Also no amounts are due to small scale industrial undertaking to whom the Company owes and which is outstanding for more than 45 days as at 31st March 2021.

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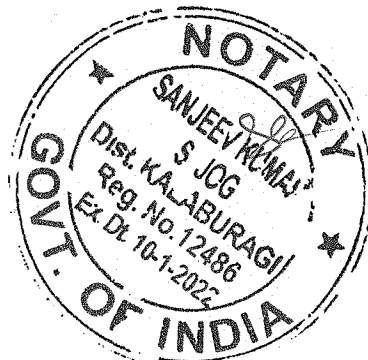




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**NOTES TO FINANCIAL STATEMENTS**

Particulars	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
<b>25 Other current financial liabilities</b>		
a) Current Maturities of Long term debts	15,350.03	20,296.90
b) Payable to Trust (Pension & NDCPS)	6,756.92	4,670.38
Miscellaneous Deposits/other liabilities (incl liability towards		
c) Employees)	2,505.99	3,046.24
d) Security deposit in cash from Suppliers/ Contractors	622.09	754.11
e) Excess credit under reconciliation with Bank	1,963.51	3,216.83
f) Interest accrued and payable to consumers	2,439.53	3,396.90
g) Interest accrued but not due on loans	1,766.49	1,816.05
h) Liability towards consumers	831.32	677.08
i) Sundry payables for capital goods	18,489.97	20,839.59
	<b>50,725.85</b>	<b>58,714.08</b>
<b>Break up of financial liabilities carried at amortised cost</b>		
<b>Particulars</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
a) Borrowings (non-current) (note 18)	3,20,663.28	1,91,120.92
b) Borrowings (current) (note 23)	8,489.41	9,350.96
c) Current maturity of long term loans(note 25)	15,350.03	20,296.90
d) Trade payables (note 24)	4,28,115.38	4,72,916.15
e) Other financial liabilities (non current) (note 19)	61,240.52	57,667.51
f) Other financial liabilities (current) (note 25)	35,375.81	38,417.19
<b>Total</b>	<b>8,69,234.43</b>	<b>7,89,769.63</b>
<b>26 Provisions: (current)</b>		
a) Provision for Earned Leave Encashment	1,236.62	1,091.18
b) Provision for Family Benefit Fund	47.95	45.01
	<b>1,284.57</b>	<b>1,134.19</b>
<b>27 Other current liabilities:</b>		
a) Interunit accounts	103.43	552.15
b) Statutory Liabilities	7,733.10	5,061.87
c) Other payables	250.88	358.83
	<b>8,087.41</b>	<b>5,972.85</b>
<b>28 Current Tax Liabilities (Net):</b>		
a) Provision for tax (net of advance tax)		

*[Signature]*  
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NOTES TO FINANCIAL STATEMENTS

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Contingent Liabilities for which no provision has been made by the Company.

Sl No	Particulars	Pending at/With	31-Mar-21	31-Mar-20
1	Intimation regarding default in TDS statement based on the Tax Payers data reflected in the Computer System of the Department for Short Deduction/Short Payments/Late Deduction/Late Payments/Late filings and interest thereon	DIT (TDS)	Rs. 299.57 Lakhs	Rs. 102.59 Lakhs
2	Incorrect/excess/arrears billing pending	Appealte Authorities	Rs. 1322.59 Lakhs	Rs. 1855.90 Lakhs
3	For loss of life on account of electrification	Consumer Courts	108 Cases pending before various courts, Amount is not Ascertainable	99 Cases pending before various courts, Amount is not Ascertainable
4	Power Purchase Agreement traiffis & dues	Appealte Authority	90 Cases pending before various authorities, Out of which claim amount of Rs. 10624.73 Lakhs pertains to 23 cases and rest 67 cases where amount is not ascertainable	107 Cases pending before various authorities, Out of which claim amount of Rs 61754.04 Lakhs pertains to 26 cases and rest 81 cases where amount is not ascertainable

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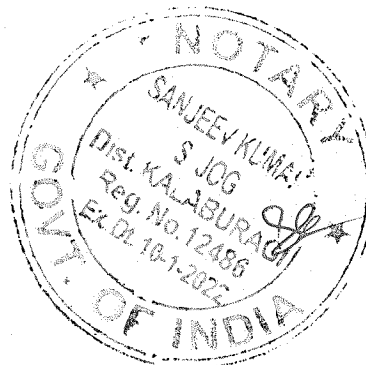
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**GULBARGA ELECTRICITY SUPPLY COMPANY LIMITED**  
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**NOTES TO FINANCIAL STATEMENTS**

Particulars	2020-21	2019-20
<b>30 Revenue from operations:</b>		
<b>Operating revenue</b>		
a) - Sale of Power - LT Category	3,77,998.75	3,72,316.85
b) - Sale of Power - HT Category	1,12,345.73	1,19,029.49
c) - Sale of Power - Through IEX	10,498.29	5,288.42
<b>Other operating revenue</b>		
a) -Supervision Charges	994.30	865.98
b) - Interest on belated payments from consumers	15,287.87	12,708.16
c) - Other Receipts	755.90	1,101.01
	<b>5,17,880.84</b>	<b>5,11,309.91</b>
<b>31 Other income:</b>		
a) Rental Income	230.60	168.46
b) Interest Income	246.58	187.45
c) Profit on sale of scrap	29.65	242.58
d) Provision no longer required written back	6,711.81	12,682.08
e) Rebate on Power Purchase	2,738.85	279.66
f) Rebate on remittance of electricity duty	102.98	101.65
g) Other Miscellaneous Income	251.61	144.08
h) Government grants for capital assets	1,267.00	926.20
i) Consumer contributed assets	3,790.00	3,450.00
	<b>15,369.08</b>	<b>18,182.16</b>
<b>32 Cost of Power Purchased:</b>		
a) Purchase of Power	4,39,286.77	4,19,195.15
	<b>4,39,286.77</b>	<b>4,19,195.15</b>
<b>33 Employee benefit expenses:</b>		
a) Salaries & Wages	43,208.02	40,763.35
b) Contribution to provident and other funds	19,013.44	13,741.03
c) Bonus/Exgratia	509.18	519.58
d) Earned leave encashment	4,410.64	5,004.70
e) Staff welfare expenses	728.78	1,173.57
	<b>67,870.06</b>	<b>61,202.23</b>
<b>34 Finance costs:</b>		
a) Interest on loans	15,607.01	13,620.60
b) Interest on liability component of loan from Shareholders	5,410.61	-
c) Interest on Power charges	20,295.71	32,150.39
d) Interest to Consumers on security deposits	2,554.09	3,559.71
e) Less : Interest Capitalised	469.32	1,562.64
	<b>43,398.10</b>	<b>47,768.06</b>

*Sanjeev K. N.*  
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Particulars	2020-21	2019-20
<b>35 Depreciation and amortization:</b>		
a) Depreciation on Building	329.08	273.01
b) Depreciation on furnitures, fixtures	36.02	31.12
c) Depreciation on lines, cable & network etc	20,069.68	17,192.56
d) Depreciation on office equipments	41.36	38.93
e) Depreciation on Other civil works	16.26	12.55
f) Depreciation on Plant & Machinery	3,852.41	3,717.27
g) Depreciation on vehicles	37.02	24.39
h) Depreciation on Hydraulic Works	34.30	32.01
i) Amortisation on Right of Use Asset	7.70	7.72
	<b>24,423.83</b>	<b>21,329.56</b>
<b>36 Other expenses:</b>		
a) Advertisement Expenses	73.30	53.81
b) Asset Decommissioning Costs	5.14	8.35
c) Payment to auditors		
- as auditor	9.34	8.11
- for taxation and other matters	2.36	1.77
- Reimbursement of expenses	0.60	0.32
d) Repairs & Maintenance - Building	935.59	780.21
e) Repairs & Maintenance - Plant & Machinery	4,243.01	5,010.00
f) Repairs & Maintenance - Others	5.63	5.20
g) Repairs & Maintenance - Vehicles	40.55	22.55
h) Rent	143.07	76.91
i) Bad and doubtful debts written off/provided for	7,831.73	7,114.99
j) Bank charges	676.89	125.11
k) Compensation for death, injuries and damages	405.38	359.72
l) Computer stationery and floppies	16.35	26.50
m) Contributions	2.66	15.80
n) Conveyance & travel Expenses	455.56	453.76
o) Vehicle Hiring Expenses	1,381.31	1,388.59
p) Electricity charges	430.65	376.19
q) Expenditure towards consumer awareness/education	0.76	6.95
r) Freight and other material related expenses	122.13	114.28
s) Incentive/Remuneration paid to Gram Vidyuth prathinidhi	1,328.14	1,393.66
t) Legal Charges	87.63	64.41
u) Station Maintenance by Contract agencies	2,316.11	2,359.79
v) Manpower Contract Agencies	2,613.06	2,964.18
w) Other Consultancy Charges	370.37	634.23
x) Rates & Taxes	704.42	859.02
y) Postage and telephone charges	395.49	284.26
z) Printing & Stationery	270.22	242.99
aa) Miscellaneous & other expenses	874.91	1,376.21
ab) Miscellaneous losses	53.00	237.88
	<b>25,795.36</b>	<b>26,365.74</b>

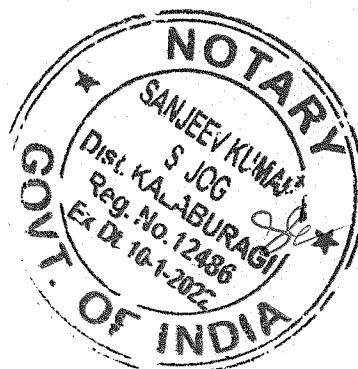
**CSR expenditure**

Gross amount required to be spent during the year

Amount spent during the year in cash

(The average profits of preceeding 3 years is negative hence CSR Expenditure for the current year is Nil)

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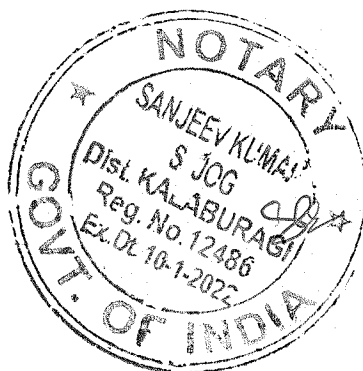
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**NOTES TO FINANCIAL STATEMENTS**

Particulars	2020-21	2019-20
37 Earnings per share: (Basic and diluted)		
Basic and Diluted Earnings per share [EPS] computed in accordance with Ind AS 33 "Earnings per Share":		
I Basic and diluted Earnings per share before exceptional items		
(a) Basic Earnings per share		
Profit/(loss) for the year after tax expense before exceptional items	(66,584.74)	(83,006.59)
Weighted average number of equity shares	15,097.96	11,149.56
Paid up value per share (in ₹)	10.00	10.00
<b>Basic Earnings per share (in ₹)</b>	<b>(4.41)</b>	<b>(7.44)</b>
(b) Diluted Earnings per share		
Profit/(loss) for the year after tax expense before exceptional items	(66,584.74)	(83,006.59)
Weighted average number of equity shares	16,220.31	15,097.78
Paid up value per share (in ₹)	10.00	10.00
<b>Diluted Earnings per share (in ₹)</b>	<b>(4.11)</b>	<b>(5.50)</b>
II Basic and diluted Earnings per share after exceptional items		
(a) Basic Earnings per share		
Profit/(loss) for the year after tax expense after exceptional items	(66,584.74)	(62,393.17)
Weighted average number of equity shares	15,097.96	11,149.56
Paid up value per share (in ₹)	10.00	10.00
<b>Basic Earnings per share (in ₹)</b>	<b>(4.41)</b>	<b>(5.60)</b>
(b) Diluted Earnings per share		
Profit/(loss) for the year after tax expense after exceptional items	(66,584.74)	(62,393.17)
Weighted average number of equity shares	16,220.31	15,097.78
Paid up value per share (in ₹)	10.00	10.00
<b>Diluted Earnings per share (in ₹)</b>	<b>(4.11)</b>	<b>(4.13)</b>

  
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**NOTES TO FINANCIAL STATEMENTS**

Particulars	2020-21	2019-20
<b>III Basic and diluted earnings per share including net movement in regulatory deferral account balances</b>		
(a) Basic Earnings per share		
Profit/(loss) for the year after tax expense including net movement in regulatory deferral account balances	(1,16,990.86)	(99,227.72)
Weighted average number of equity shares	15,097.96	11,149.56
Paid up value per share (in ₹)	10.00	10.00
<b>Basic Earnings per share (in ₹)</b>	<b>(7.75)</b>	<b>(8.90)</b>
(b) Diluted Earnings per share		
Profit/(loss) for the year after tax expense including net movement in regulatory deferral account balances	(1,16,990.86)	(99,227.72)
Weighted average number of equity shares	16,220.31	15,097.78
Paid up value per share (in ₹)	10.00	10.00
<b>Diluted Earnings per share (in ₹)</b>	<b>(7.21)</b>	<b>(6.57)</b>

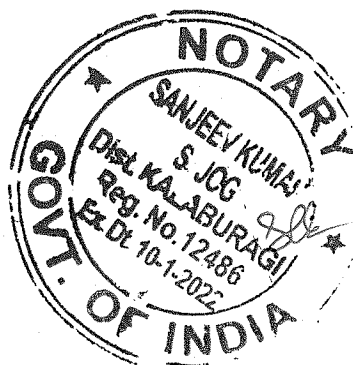
Note: Weighted average number of equity shares for diluted earnings per share for the year ended March 31, 2021 is calculated based on subsequent allotment made by the Company against share application money pending for allotment which is an adjusting event after the reporting period.

**38 Net Movement in Regulatory Deferral account Balance related to Profit or Loss**

Regulatory Asset to be created for current year	17,843.00	8,800.15
Reversal of regulatory asset created during previous year	(68,249.12)	(45,634.70)
<b>Net movement in regulatory deferral account</b>	<b>(50,406.12)</b>	<b>(36,834.55)</b>

39 The exceptional items includes the amount written off pertaining to the interest levied on delayed payment of RDPR dues from April 01, 2015 to March 31, 2019. An Agenda was placed before the Board of directors for write-off of the Interest amount as per the instructions of government and was approved vide resolution no. 79/13 dated 12th August 2020.

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**NOTES TO THE FINANCIAL STATEMENTS**

**Note 40 Disclosure pursuant to Employee benefits**

**(a) Defined Contribution Plan:**

Amount of Rs 19,050.58 Lakhs (March 31, 2020: Rs 13,698.47 Lakhs) contribution towards Pension, Gratuity & NDCPS is recognised as expenses and included in Note No. 33 "Employee benefit expense"

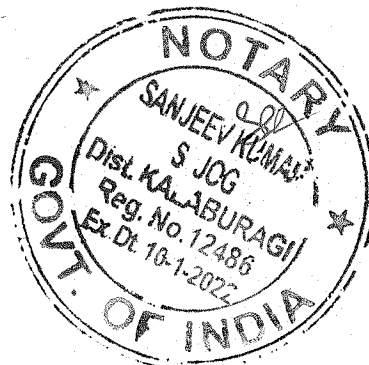
**(b) Defined Benefit Plan:**

The employees' family benefit fund (FBF) and leave encashment, which is unfunded. The Present value of obligation is determined based on actuarial valuation using the projected unit credit method.

Changes in Defined benefit obligation	31-Mar-21		31-Mar-20	
	Family Benefit Fund (Unfunded)	Leave Encashment	Family Benefit Fund (Unfunded)	Leave Encashment
	(Rs)	(Rs)	(Rs)	(Rs)
Defined benefit obligation at the beginning of the year	694.63	10,035.91	597.49	7,816.25
Current Service Cost	68.73	3,723.24	64.18	3,142.27
Interest Cost	46.45	654.83	43.46	545.93
Actuarial losses/ (gains)	136.20	73.50	121.48	1,390.08
Benefits paid	(118.38)	(957.83)	(131.98)	(2,858.62)
Defined benefit obligation at the end of the year	827.62	13,529.65	694.63	10,035.91
<b>2 Changes in Fair Value of assets</b>				
Opening Fair value of plan assets	-	-	-	-
Expected return on plan assets	-	-	-	-
Actuarial losses/ (gains)	-	-	-	-
Contributions by employer	-	-	-	-
Benefits paid	-	-	-	-
Closing Fair Value of Plan Assets	-	-	-	-
<b>3 Liability recognized in the Balance sheet</b>				
Present value of unfunded obligations	827.62	13,529.65	694.63	10,035.91
<b>Amount recognized in Balance sheet under Current liabilities and provision</b>	<b>827.62</b>	<b>13,529.65</b>	<b>694.63</b>	<b>10,035.91</b>
<b>4 Expenses recognized in Statement of Profit &amp; loss under Note 26</b>				
Current Service Cost	68.73	3,723.24	64.18	3,142.27
Interest on Defined Benefit Obligation	46.45	654.83	43.46	545.93
Amount recognised in other comprehensive income	136.20	-	121.48	-
Net Actuarial losses/ (gains) recognized in the year	-	73.50	-	1,390.08
Benefits paid	(118.38)	(957.83)	(131.98)	(2,858.62)
<b>Total employer expense recognized in Statement of profit and loss</b>	<b>132.99</b>	<b>3,493.74</b>	<b>97.14</b>	<b>2,219.66</b>
<b>5 Actuarial assumptions:</b>				
Discount rate	6.80%	6.80%	6.90%	6.90%
Expected rate of return on assets	0.00%	0.00%	0.00%	0.00%
Rate of escalation in salary (per annum)	0.00%	7.00%	0.00%	7.00%
Retirement Age	60 Years	60 Years	60 Years	60 Years

Apart from the above actuarial assumptions, the Company has ascertained the actuarial assumptions to the effect that the estimates of future salary increases are considered in actuarial valuation and the assumptions of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market

*[Signature]*  
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**GULBARGA ELECTRICITY SUPPLY COMPANY LIMITED**  
(CIN NO. - U04010KA2002SGC030436)  
Registered office at Station Road, Gulbarga, Karnataka - 585 102  
**NOTES TO THE FINANCIAL STATEMENTS**

**Note 41 - Related Parties Disclosure:**

Disclosure on Related party transaction is limited to transactions occurred among ESCOMs, KPTCL, PCKL, MPM & KPCL as they are also owned by GoK and having significant bearing on GESCOM. Company cannot ascertain or assess the quantum of transactions for any other GoK owned establishment

**I Names of the related party and related party relationship:**

a) Related party where control exists  
Government of Karnataka

b) Related parties under 'Ind AS 24- Related Party Disclosures', with whom transactions have taken place during the period

i) Key management personnel (KMP)

Smt. N Manjula (IAS)  
Sri. Pandve Rahul Tukaram (IAS)  
Sri P Raja (IAS)  
Sri G V Venkatachalam  
Sri Nishik K (IAS)  
Sri G M Gangadhar Swamy (IAS)  
Sri. R Jayakumar  
Smt. G Sheela  
Sri. Devindrappa Ullagaddi  
Sri. Babarao Shankarrao  
Sri Rajkumar S Bradar  
Sri. Veeranna Sidramappa Mangne  
Sri. T R Ramakrishnaiah  
Sri. Shivaprakash T M  
Sri B Abdul Wajid  
Sri. Kiran Policepatil

ii) Enterprises having significant bearing on GESCOM through common ownership of government of Karnataka

Karnataka Power Transmission Corporation Limited (KPTCL)  
Bangalore Electricity Supply Company Limited (BESCOM)  
Hubli Electricity Supply Company Limited (HESCOM)  
Mangalore Electricity Supply Company Limited (MESCOM)  
Chamundeshwari Electricity Supply Corporation (CESCOM)  
Power Company of Karnataka Limited (PCKL)  
Karnataka Power Corporation Limited (KPCL)

**II The transactions with related parties during the period/year and their outstanding balances are as follows:**

**a) Managerial remuneration & Sitting Fees**

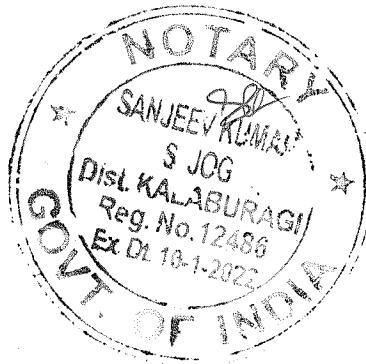
Sl. No.	Key Managerial Personnel	Designation	Amounts in lakhs	
			2020-21	2019-20
1	Dr. R. Ragupathi (IAS)	Managing Director	3.76	13.40
2	Sri. Pandve Rahul Tukaram (IAS)	Managing Director	8.99	Nil
3	Sri. Anilkumar S. Babaleshwar	Director (Tech)	0.01	2.32
4	Sri. Udakumar Bhosur	Director (Tech)	Nil	Nil
5	Sri. Vinod Havalgi	Director (Tech)	Nil	0.14
6	Sri. R. Jayakumar	Director (Tech)	27.83	21.09
7	Sri. Abdul Wajid	Chief Financial Officer	28.58	27.08
8	Sri. Kiran Policepatil	Company Secretary	14.14	7.33
9	Directors Sitting Fees		1.09	0.11

**b) Related Party Transactions pertaining to KPTCL, PCKL, KPCL and other ESCOMs is disclosed as under**

Sl. No.	Nature of transactions	Party Name	Amounts in lakhs	
			2020-21 Rs.	2019-20 Rs.
1	Transmission of Energy	KPTCL	(47,531.51)	(42,642.95)
2	Towards Energy Balancing	BESCOM	(9,293.90)	10,399.50
3	Towards Energy Balancing	HESCOM	2,519.88	(2,724.22)
4	Towards Energy Balancing	MESCOM	341.40	11,154.43
5	Towards Energy Balancing	CESCOM	5,757.00	4,060.40
6	Purchase of Power	PCKL	(3,396.63)	(99.26)
7	Purchase of Power	KPCL	(55,657.19)	(72,286.64)

Note: (+) indicates Income and (-) indicates Expenditure

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c) Related Party outstanding balances pertaining to KPTCL, PCKL, KPCL and other ESCOMs is disclosed as under

Sl. No.	Nature of transactions	Party Name	Amounts in Lakhs	
			As at March 31 2021	As at March 31 2020
1	Transmission of Energy	KPTCL	(587.93)	(6,163.85)
2	Receivable/Payable towards Energy Balancing	BESCOM	(18,769.95)	(9,476.05)
3	Receivable/Payable towards Energy Balancing	HESCOM	375.08	(2,144.80)
4	Receivable/Payable towards Energy Balancing	MESCOM	25,729.85	25,388.45
5	Receivable/Payable towards Energy Balancing	CESCOM	11,600.71	5,843.71
6	Purchase of Power	PCKL	114.07	4.04
7	Purchase of Power	KPCL	(1,40,105.55)	(1,60,456.42)

Note: (+) indicates income and (-) indicates expenditure

**Note 42 True-up Subsidy/ Regulatory Asset ( Refer Note 15)**

Determination of the Retail Supply Tariff chargeable by the Company to its consumers is governed by KERC (Terms and conditions for determination of Tariff for Distribution and Retail Sale of Electricity) Regulations 2006, and the amendments made thereon from time to time, whereby KERC is required to determine the Tariff in a manner that the Company recovers its Power purchase cost as well as other prudently incurred expenses and earns return of 19.70% (post MAT) on KERC determined Equity

In the process of determining the tariff, KERC will approve the ARR for the year considering the tariff applications submitted by the ESCOMs, which will be again tried up by the Commission during Annual Performance Review considering actuals, on finalisation of accounts for the year. The Surplus/Deficit in revenue if any will be adjusted in future tariff. GESCOM is accounting such surplus/Deficit in the accounts of respective year itself as "Regulatory Asset" being the deferred expenses expected to flow to the Company subsequently on determination of tariff by Hon'ble KERC during Annual Performance Review.

Accordingly, Company had accounted Regulatory Assets of Rs. 35376.59 Lakhs, Rs. 45634.70 Lakhs, Rs. 68249.12 Lakhs and Rs. 8800.14 Lakhs for FY17, FY18, FY19 and FY20 respectively. For the year 2016-17 Hon'ble KERC has determined the Revenue Gap of FY 17 as 46506.00 Lakhs in the APR and carried forward the same for allowing in the year 2018-19. Further, Regulatory Asset created during FY17, FY18 and FY19 amounting to Rs. 35376.59 Lakhs, Rs. 45634.70 Lakhs and Rs. 68249.12 Lakhs respectively are treated as recovered during FY19, FY20, FY21 reversed in the accounts

Further fresh regulatory Asset to the extent of Rs 17843.00 Lakhs is created in the accounts for FY 2020-21 by computing the provisional gap expected to be considered by KERC for inclusion in the tariff revision of future years. (Refer Table below)"

Particulars	Approved in tariff 2020	Actual for FY 2020-21	Amt in Lakhs	
			Expected to be approved by KERC in True-up	Considered for Regulatory Income/Assets during FY 21
<b>Revenue</b>				
Revenue including Subsidy	5,71,328.00	5,17,880.84	5,17,880.84	
Regulatory Asset recovered/reversed		(68,249.12)		
Additional Regulatory Asset if any		17,843.00	17,843.00	
<b>Total Revenue</b>	<b>5,71,328.00</b>	<b>4,67,474.71</b>	<b>5,35,723.84</b>	
<b>Expenses</b>				
Power Purchase cost	4,65,069.00	4,39,286.76	4,39,286.76	(25,782.24)
O&M Cost	85,168.00	93,665.42	93,665.42	
Depreciation	17,210.00	24,423.83	24,423.83	
Interest & Finance Charges	25,954.00	43,398.10	25,954.00	
R&OE	8,740.00			
Others				
<b>Total Expenses</b>	<b>6,02,141.00</b>	<b>6,00,774.11</b>	<b>5,83,330.01</b>	<b>(25,782.24)</b>
Less: other income	9,309.00	15,369.08	15,369.08	
<b>Net ARR</b>	<b>5,92,832.00</b>	<b>5,85,405.03</b>	<b>5,67,960.93</b>	
<b>GAP for FY 2020-21</b>	<b>21,504.00</b>	<b>1,17,930.32</b>	<b>32,237.10</b>	

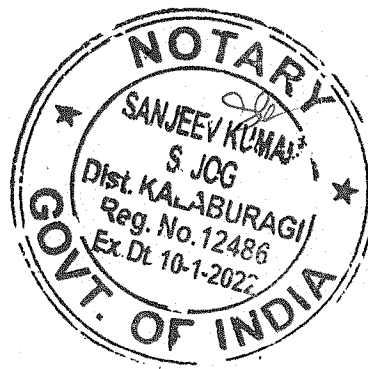
**Reconciliation of regulatory asset**

a Opening Regulatory Asset as on 01.04.2020	77,049.27
b Add: Regulatory Asset created for FY 2020-21	17,843.00
c Add: Additional Regulatory Asset accounted for FY if any as per true-up order	
d Less: Reversal of Regulatory assets created during FY 18	(68,249.12)
e Closing regulatory asset as on March 31, 2021	26,643.15

**Note 43 Operating Segment (Ind AS 108)**

Electricity distribution is the principal business activity of the Company. There are no other activities which form a reportable segment as per the Indian Accounting Standard - 108. The operations of the Company are mainly carried out within six Revenue districts of Karnataka, viz. namely Bidar, Gulbarga, Yadgir, Raichur, Bellary and Koppal. Therefore geographical segments are not applicable

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**Note 44 Fair values measurement**

The below table summarises particulars of Financial Instruments carried at amortised cost.

Particulars	Rs. In Lakhs	
	31-Mar-21	31-Mar-20
<b>Financial Assets at amortized cost:</b>		
Loans (note 6(ii))	2,249.88	2,264.80
Unbilled revenue (note 10)	29,489.00	27,370.62
Trade receivables (note 11)	1,59,777.90	1,34,743.15
Cash and Cash equivalents (note 12)	3,728.18	8,946.80
Other bank balances (note 12)	6,710.94	4,343.39
Other financial assets (note 13)	2,51,560.11	2,21,145.69
<b>Total Financial Assets</b>	<b>4,53,516.00</b>	<b>3,98,814.47</b>
<b>Financial Liabilities at amortized cost:</b>		
Borrowings (non-current) (note 18)	3,20,663.28	1,91,120.92
Borrowings (current) (note 23)	8,489.41	9,350.96
Current maturity of long term loans (note 25)	15,350.03	20,296.90
Trade payables (note 24)	4,28,115.38	4,72,916.15
Other financial liabilities (non current) (note 19)	61,240.52	57,667.31
Other financial liabilities (current) (note 25)	35,375.81	38,417.19
<b>Total Financial Liabilities</b>	<b>8,69,234.43</b>	<b>7,89,769.62</b>

The Fair Value of the above financial assets and liabilities are measured at amortized cost which is considered to be approximate to their fair values except as stated below:

**a Security deposit in cash from Suppliers/ Contractors and retention money (refer note 25)**

The adjustment with respect to EIR has not been made for Security deposit in cash from Suppliers/ Contractors and retention money shown under note 25 "other current financial liabilities as expected realization date is not available. And hence the same cannot be stated to be at fair value. The fair value determination of the same is not made due to non availability of expected realization date.

**b Security deposit (refer note 6(ii) "Loans")**

Security deposit (refer note 6(ii) "Loans") includes amount of Rs. 1400 lakhs contributed by company towards Priyadarshini Jurala Hydel Project. Company is not in a position to ascertain whether the investment is with respect to equity or debt etc due to non availability of sufficient information. Accordingly such security deposit is not adjusted with EIR or has been fair valued and the same is carried at cost which is not in compliance with Ind AS-109: Financial Instruments and Ind AS-113: Fair value Measurement.

The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

**Investment in equity shares:**

Investment in equity instrument of PCKL (refer note 6(i)) is not fair valued as on reporting dates. Hence to the extent of the same, the investment values are carried at cost which is in non compliance with Ind AS-109: Financial Instruments and Ind AS-113: Fair value Measurement. The fair value determination of the same is not made due to non availability of sufficient information.

Since the fair value determination of above stated financial instruments was not made by the company, accordingly, disclosure with respect to comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values was not possible.

**Note 45 Fair value hierarchy**

Since the fair value determination in case of financial instrument was not made by the company; due to the reason stated in the note no 44; accordingly, the disclosure with respect to fair value measurement hierarchy of the Company's assets and liabilities was not possible.

**Note 46 Financial risk management objectives and policies:**

GESCOM, a GoK owned organization functions under the ambit of various statutory Acts and Regulations. As per Electricity Act 2003, Tariff filing for each year is carried by the Company for Annual Performance Review (APR) and Revision in Annual Revenue Requirement (ARR) with KERC (Regulator) and hence is subject to regulatory risk. Each of its activity attributable to Credit risk, Liquidity risk and Market risk undergoes consistent monitoring by Regulator (KERC) annually.

The entity's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the entity's operations to support its operations. The entity's principal financial assets include trade and other receivables, rental and bank deposits and cash and cash equivalents that are derived directly from its operations.

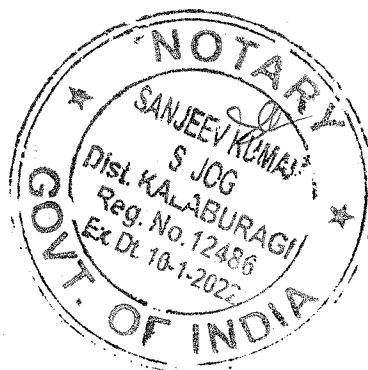
The entity is exposed to market risk/credit and liquidity risks. The entity's senior management observe the management of these risks. The board reviews their activities. No significant derivative activities have been undertaken so far.

There is a steady growth in number of consumers and demand for electricity from existing and new consumers. Hence, no demand risk is anticipated.

The company's senior management oversees the risk management policies and systems regularly.

The company has exposure to the following risks from its use of financial instruments:

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**Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans, borrowings and deposits. The Company is mainly exposed to interest rate risk since it has availed borrowings at fixed and floating interest rates.

The sensitivity analysis in the following sections relate to the position as at 31 March 2021 and 31 March 2020.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives. The analysis exclude the impact of movements in market variables on the carrying values of gratuity and other post retirement obligations and provisions.

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term and short-term debt obligations with floating interest rates.

Year ended

	Increase/ decrease in basis points	Amount In Lakhs Effect on profit before tax
31 March 2021	50 (50)	756.22 (756.22)
31 March 2020	50 (50)	628.27 (628.27)

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

**Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the foreign currency risk is Nil, due to the fact that, the companies does not have any export market or does not have any foreign currency borrowings. Accordingly, no sensitivity analysis have been performed by the management.

**Power purchase cost risk**

The Company is affected by the price volatility of power purchase. Its operating activities require the ongoing distribution of electricity and therefore require a continuous purchase of power.

The Company's exposure to the risk of change in prices of power purchase are mitigated by the fact that the price increases/decreases from the vendors are passed on to the customers based on following. In the process of determining the tariff, KERC will approve the ARR for the year considering the tariff applications submitted by the ESCOMs, which will be again tied up by the Commission during Annual Performance Review considering actuals, on finalisation of accounts for the year. The Surplus/Deficit in revenue if any will be adjusted in future tariff. GESCO is accounting such surplus/Deficit in the accounts of respective year itself as "Regulatory Asset" being the deferred expenses expected to flow to the Company subsequently on determination of tariff by Hon'ble KERC during Annual Performance Review.

Hence the fluctuation of prices of power purchase do not materially affect the statement of profit and loss. Accordingly, no sensitivity analysis have been performed by the management.

**Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

**Trade receivable**

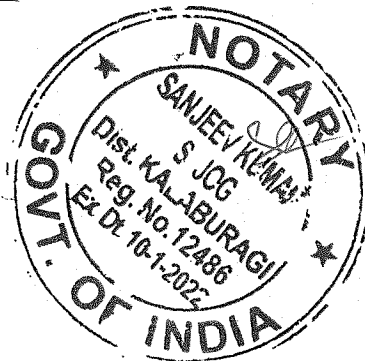
Trade receivable majorly comprises sundry debtors for sale of power from various class of consumers and Receivable from other ESCOMs. Risk element involving sundry debtors is adequately covered by security deposit held against such consumers by way of collection of 2 months minimum deposit (as per mandatory stipulation of regulatory governance). Other major contributor of receivable is from inter ESCOM energy balancing, all being sovereign government flagship organizations risk element of turning those to bad debts is not foreseen. Further, provision for expected credit loss is made as a percentage of doubtful debts to the extent indicated clause 12 of Note 2 (Significant Accounting Policies).

**Financial instruments and cash deposits**

The Company has diversified its bank deposits and placed the same only with reputed and creditworthy nationalized banks.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2020 and 31 March 2019 is the carrying amounts as illustrated in note 12.

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**Liquidity risk**

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the company reputation, typically the company ensures that it has sufficient cash on demand to meet expected operational expenses, servicing of financial obligations.

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents including bank deposits and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due. In addition to this, liquidity management also involves projecting cash flows at the beginning of each year considering the level of liquid assets necessary to meet obligations by matching the maturity profiles of financial assets and liabilities.

**Note 47 Capital and other commitment**

The relevant information with respect to capital and other commitments as at reporting date is not ascertainable and hence the disclosure was not possible.

**Note 48 Segment information**

Electricity distribution is the principal business activity of the Company. There are no other activities which form a reportable segment as per the Indian Accounting Standard - 108.

Based on similarity of activities/products, risk and reward structure, organisation structure and internal reporting systems, the Company has structured its operations into a single operating segment. The Company operates majorly in single geographical segment, i.e. India and having immaterial export transactions. Accordingly, the chief operating decision maker uses this set of financial for decision making.

**Note 49 Capital Management**

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders and borrowings. The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments for compliance with the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

	31 March 2021 Rs In Lakhs	31 March 2020 Rs In Lakhs
Borrowings (note 18 and 23)	3.45	2.21
Trade payables (note 24)	4.28	4.73
Other current and non current liabilities (note 22 and 25)	19,303.96	15,518.78
Other financial liabilities (note 19 and 25)	0.97	0.96
Less: cash and cash equivalent (note 8)	(3,728.18)	(8,946.80)
Net debt	15,584.48	6,579.87
Total Equity	(45,409.89)	24,410.47
Capital and net debt	(29,825.40)	30,990.36
Gearing ratio	-52%	21%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

**Note 50: Significant accounting judgements, estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**Accounting judgements, estimates and assumptions**

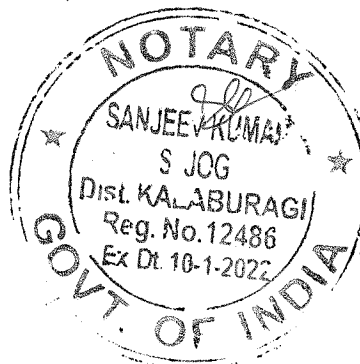
The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**Revaluation of property, plant and equipment**

The Company measures land and rights classified as property, plant and equipment at revalued amounts with changes in fair value being recognised in OCI. The Company engaged an independent valuation specialist to assess fair value as at March 31, 2021 after having initial fair value done on April 01, 2016 for revalued land. Land were valued by reference to market-based evidence, using comparable prices adjusted for specific market factors such as nature, location and condition of the property.

Company has not performed valuation with sufficient frequency to ensure that the carrying amount of a revalued asset does not differ materially from its fair value.

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**Defined benefit plans (family benefit fund and leave encashment)**

The cost of the defined benefit plans the present value of the defined benefit obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for the plans, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about defined benefit obligations are given in note 39

**Useful lives of property, plant and equipment**

The Company believes that the estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. Refer accounting policy note for useful lives of the PPE

**Regulatory deferral account**

In the process of determining the tariff, KERC will approve the ARR for the year considering the tariff applications submitted by the ESCOMs, which will be again tried up by the Commission during Annual Performance Review considering actuals, on finalisation of accounts for the year. The Surplus/Deficit in revenue if any will be adjusted in future tariff. GESCOM is accounting such surplus/Deficit in the accounts of respective year itself as "Regulatory Asset" being the deferred expenses expected to flow to the Company subsequently on determination of tariff by Hon'ble KERC during Annual Performance Review

**Note 51: Leases**

**(a) Change in Accounting Policy**

Except as specified below, the company has consistently applied the accounting policies to all periods presented in this financial statements. The Company has applied Ind AS 116 with the date of initial application of 1st April, 2019. As a result, the Company has changed its accounting policy for lease contracts as detailed below:

The Company has applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognized in retained earnings at 1st April, 2019 amounting to Rs. 12.01 lakhs (net of tax)

Particulars	Amount
Lease Commitment as at 31st March, 2019	-
Add: Contracts reassessed as lease contracts	-
Add: Adjustments on account of termination/modification	-
Lease Liabilities as on 1st April, 2019	-

There is no lease liabilities on lease hold land, since the company has no obligation to pay any rents for lands obtained on lease basis for the tenure of the lease agreement. The Company has paid upfront lease premium on date of entering into lease agreements

Right of use assets of Rs. 219.17 lakhs and lease liabilities of Rs. Nil have been recognised as on 1st April, 2019

The impact of change in accounting policy on account on adoption of Ind AS 116 as at 1st April 2019 is as follows:

Particulars	Amount
Decrease in Property, Plant and Equipment by	219.17
Increase in lease liability by	-
Increase in right of use by	219.17
Decrease in deferred tax liability by	-
Increase in finance cost by	-
Increase in depreciation by	-
Decrease in other equity by	12.01
Increase in interest income by	-

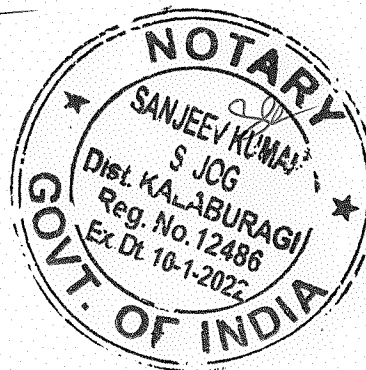
**Company as lessee**

The Company has entered into agreement in the nature of lease agreement with different lessors for the purpose to operate regional offices and to install the plant and machineries at various places. The disclosure in regard to Ind AS 116 is as below:

Particulars	31st March, 2021	31st March, 2020
Depreciation charge for 'Right-to-Use Asset'	7.70	7.72
Interest Expense on Lease Liability	-	-
Carrying amount of 'Right-to-Use Asset' at the end of the reporting period	-	-
Total Cash outflow for leases	143.07	76.91
Expense relating to short term leases and leases of low value assets	-	-

There is no lease liabilities and accordingly no details of the maturities of lease liabilities is given.

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Registered office at Station Road, Gulbarga, Karnataka - 585 102

**NOTES TO THE FINANCIAL STATEMENTS**

**Note 52 -** Consequent to unbundling of transmission and distribution activities and formation of Electricity Distribution Companies, the Government of Karnataka has transferred certain assets and liabilities including loans taken by M/s KPTCL to the Company. As part of transfer of assets and liabilities and the same has been accounted in the books of account at book values.

**Summary of assets and liabilities transferred as per transfer document**

Particulars	Amount (In Rs Lakhs)
<b>Assets</b>	
<b>Fixed Assets</b>	
Fixed Assets (net block)	27,400.00
Capital work in progress	1,800.00
Change in net block due to transfer of asset from ESCOMS to KPTCL	(400.00)
<b>Total Fixed assets</b>	<b>28,800.00</b>
<b>Current Assets</b>	
Inventories	2,600.00
Sundry Debtors	9,800.00
Cash Balances	200.00
Bank balances	700.00
Loans and advances	500.00
Other Assets	100.00
<b>Total Current Assets</b>	<b>13,900.00</b>
<b>Total Assets</b>	<b>42,700.00</b>
<b>Equity</b>	
Equity share capital	13,100.00
<b>Total equity</b>	<b>13,100.00</b>
<b>Loans</b>	<b>9,800.00</b>
<b>Other liabilities</b>	
Security deposit from consumer	13,100.00
Security line deposit from consumers	900.00
<b>Other liabilities</b>	<b>14,000.00</b>
<b>Current liabilities</b>	
Liability for supplies/works	2,700.00
Unpaid salary and other liabilities	200.00
Security deposit from contractor in cash	100.00
Other liabilities and provisions	2,800.00
<b>Total Current Liabilities</b>	<b>5,800.00</b>
<b>Total equity and liabilities</b>	<b>42,700.00</b>

**Note 53** Applicability of Gratuity Payment to Employees who have joined on or after 01.04.2006 have been issued by KPTCL on 25.11.2020. However, related financial requirements and contribution rates of ESCOMs are yet to be determined by Trust. The financial treatment will be based on the orders of the Govt of Karnataka which are expected as on the date of issue of the order.

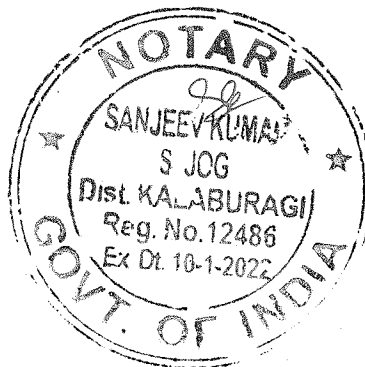
**Note 54** The below mentioned points are subject to confirmation and reconciliation, pending which Company is unable to ascertain the impact on the financial results of the Company.

- The balances under Sundry Debtors, Sundry Creditors, Deposits, Secured Loans, Unsecured loans, other loan funds, Loans and Advances to suppliers, contractors, bank balances.
- Balances under Inter Unit accounts.
- Transactions with KPTCL/ SPPCC/ PCKL & ESCOMs, KPTCL/ESCOMs Pension & Gratuity Trust and KPCL.
- There are a few negative balances against assets in the statement of capital expenditure, works in progress, stock and suspense heads.
- The differences between ledger account balances and the balances in the respective subsidiary registers/ schedules maintained for the purpose in respect of loans from GoK, Sundry Debtors, Sundry Creditors, Advance to suppliers and other suspense balances transferred to Divisions as on 01.06.2002 is in progress.

**Note 55** Common expenditure incurred by Divisions/Circles/Zones and Administrative offices is not apportioned and debited to Capital Expenditure as the costing method and procedures are not yet evolved.

**Note 56** In respect of assets shared with KPTCL, the ownership and title vests with KPTCL and as such, they are not reflected in the books of accounts of the Company. But the share of maintenance expenditure in respect of such assets is charged to Profit & Loss account.

*[Signature]*  
**Executive Engineer**  
**Regulatory Affairs**  
**Corporate Office,**  
**GESCO, KALABURAGI**



Note 57 The Internal audit has been conducting a special audit since 2014-15 on various cash misappropriation issues at accounting units.

Financial Year	Reported cases	Involved Amount	Final Orders issued	Cases Pending	Pending Cases Amount
2014-15	3	Rs. 11.59 Lakhs	3	0	0
2015-16	4	Rs. 109.09 Lakhs	3	1	Rs. 0.48 Lakhs
2016-17	8	Rs. 286.80 Lakhs	7	1	Rs. 83.95 Lakhs
2017-18	4	Rs. 45.47 Lakhs	2	2	Rs. 11.03 Lakhs
2018-19	2	Rs. 23.51 Lakhs	1	1	Rs. 20.62 Lakhs
2019-20	4	Rs. 13.34 Lakhs	1	3	Rs. 13.30 Lakhs
2020-21*	1	Rs. 407.49 Lakhs	0	1	Rs. 407.49 Lakhs

\* Special Audit was conducted in O&M Division, Gulbarga Rural 2 in FY21 pertaining to Accounting error of Account Code 24 110 - Cash In Hand.

Note 58 The Regulatory Asset pertaining to Tamir Bavi Power Project which is recoverable from Consumers and Payable to M/s KPTCL and G&K is not accounted as the matter is pending in the Supreme Court. Impact of the same will be brought on the books once the matter is decided.

As per our Report of Even Date  
For P G BHAGWAT LLP  
Chartered Accountants  
Firm Reg. No. 101119W/W100682

S B Pagad  
Partner

Membership No: 206124

Place: Dharwad

Date:

UDIN:

21206124AAAAHY5951

10 NOV 2021



For and on behalf of the Board of Directors  
Gulbarga Electricity Supply Company Limited

Pradeep Rahul Tukaram, IAS  
Managing Director

Place: Kalaburagi

Date:

B. Abdul Wajid  
Chief Financial Officer  
Place: Kalaburagi  
Date:

Dr. Dileesh Sasi, IAS  
Director

Place: Kalaburagi  
Date:

Kiran Police Patil  
Company Secretary  
Place: Kalaburagi  
Date:

Executive Engineer  
Regulatory Affairs  
Corporate Office,  
GESCOM, KALABURAGI

